Troubleshoot the Culture before the Plane:

A Consulting Proposal for Boeing's Organizational Culture

Si Lei

Industrial Organizational Psychology, New York University

Consultant Candidate, Washington Square Management Consulting Group

November 11, 2023

Boeing once had numerous opportunities to proactively address the MCAS issues on the Max, to safeguard lives, reputation, and profits. However, a detrimental organizational culture hindered Boeing's ability at all levels, from leadership to employee, to confront issues internally and externally. A profit-centric mindset, glossing over problems, a superiority complex in the market, and a shake in employee trust were prevalent. It is imperative to troubleshoot Boeing's culture before investigating aircraft malfunctions. This *executive summary* for the consulting proposal outlines the key process from client contracting, and problem analysis, to recommendations and prioritizing according to urgency and accessibility.

Client Contracting

1. Background Knowledge Accumulation

Before formal analysis, it is essential to *gather basic background information* about the client, establishing a foundational understanding. This aids in clarifying the consulting position, scope, and perspective. *Information sources* for this section may include corporate annual reports, industry research reports, stock market trends, important news, and current public opinions, etc.

2. General Troubleshooting and Contracting

Having gathered background information, we should now grasp the fundamental issues. It is imperative to promptly align with the scope of problems that the consulting intervention aims to address by synthesizing client-provided information to pinpoint the scope of the issues, client expectations, and formalize these aspects in a contract. For Boeing, the central concern revolves around the organizational culture revealed by the Boeing 737 Max crashes.

Clarifying the issue scope involves defining parameters like time frames, stakeholders, access, budget, and other relevant factors. Regarding Boeing, altering organizational culture implies a focus on leadership. We must determine if practical intervention is necessary post-consultation and clarify access during the data collection phase.

Expectations for the Boeing organizational culture consultation include a thorough problem analysis, fostering a culture of safety, transparency, and

collaboration, and boosting internal morale. The ultimate aim is to assist in the long-term restoration of profit margins and reputation.

Data Collection and Analysis

1. Multi Sources Data Gathering

To ensure the analytical validity, reliability, and practical feasibility of our recommendations, we will collect data from _multiple resources_. This includes screening internal communication archives, conducting individual interviews, administering employee surveys, and collecting feedback from managers and executives.

2. Analysis (Key Points)

Boeing's culture displays ignorance toward regulators and consumers, accompanied by internal communication issues. These cultural challenges result in leadership issues, and a lack of internal troubleshooting awareness and pipelines, and all these negative attitudes continuously influence employees' workplace behaviors.

   a) Key cultural problems include a profit-first focus leadership style, a tendency to conceal negative information internally and externally, and a superiority complex towards the market, particularly external consumers.

   b) Additional concerns involve an ineffective upward feedback pipeline and a negative internal perception marked by mistrust and cynicism.

Moreover, it's crucial to _involve Boeing's stakeholders_ in the interpretation and discussion during the data collection and analysis phases. Considering the low quantifiability of organizational culture change and its long-term nature, effective transformation goes beyond the intervention of the consulting team alone. It necessitates clients taking on some responsibility and actively participating. This involvement ensures the practicality of the consulting recommendations and increases the likelihood that the recommendations and interventions will have a profound impact even after the consulting team exits.

Recommendations and Interventions

To address leadership effectiveness, communication challenges, structural issues, performance measurement alignment, and stakeholder collaboration, the following

multifaceted approaches are provided based on previous analysis and general objectives. They seek to instill and sustain a positive organizational culture at Boeing, fostering transparency, collaboration, and long-term success.

1. Leadership Development and Accountability

   a) Conduct *leadership training programs* to instill a culture of safety, transparency, and collaboration. Mandate changes in leadership and communication styles, incorporating a focus on employee feedback

   b) The training workshop could also be accompanied by measures like *demotion, layoffs, and salary adjustments*, emphasizing accountability for organizational crises, and poor leadership

2. Internal Communication Enhancement

   a) Implement an *internal anonymous feedback platform* spanning various departments, encouraging honest communication and addressing concerns with real data and reports

      i. Horizontally: The consumer services department, sales department, and R&D department could supervise each other to some extent. This can also promote cross-functional collaboration

      ii. Vertically: Overhaul the upward feedback pipeline to make it more effective and responsive. Create mechanisms for employees to provide constructive feedback without fear of reprisal

3. Organizational Restructuring

   a) Consider creating a *cultural troubleshooting team* to address and monitor cultural issues, operate and maintain the internal feedback platform

   b) Improve the JD used in the *talent acquisition* process, ensuring the candidates align with the new organizational culture.

4. Performance Management Improvement

   a) Align *performance metrics* with desired cultural values, recognizing and rewarding behaviors that contribute to a positive culture

    b)   Establish key performance indicators (KPIs) to measure the success of cultural transformation initiatives. (e.g., technical troubleshooting period, consumer complaint and feedback, accident rate, etc.)

    c)   Regularly monitor and evaluate progress, making adjustments as needed for continuous improvement

5. Long-Term Engagement Strategy

    a)   Develop a long-term engagement strategy and cultural transformation workshops ensuring sustained commitment to cultural change beyond the consulting intervention.

6. External Stakeholder Involvement

    a)   Actively involve stakeholders, including regulators, consumers, and employees, in discussions about organizational culture.

Evaluating and Prioritizing Recommendations

1. Pros & Cons of Recommendations

Recommendation	Pros	Cons
Leadership Development and Accountability	Training programs can instill positive cultural values	Leadership changes and accountability measures may face resistance
	Measures like demotion and salary adjustments emphasize accountability for organizational outcomes	
	Incorporating employee feedback enhances communication and fosters a positive culture	Measures like demotion and layoffs can impact morale negatively
Internal Communication Enhancement	Anonymous feedback platform promotes open and honest communication	Anonymity in feedback may lead to potential misuse
	Horizontal and vertical collaboration mechanisms can improve cross-functional understanding	
Organizational Restructuring	A dedicated team addresses cultural issues directly	

	Enhanced talent alignment from the recruiting process	Restructuring may face resistance from existing staff
Performance Management Improvement	Aligning metrics with cultural values reinforces the desired behaviors	Defining and measuring cultural alignment metrics can be challenging
	KPIs provide measurable indicators for cultural transformation success	
Long-Term Engagement Strategy	Ensures long-term commitment to cultural change	Requires continuous effort and resources for long-term success
	Cultural transformation workshops involve employees in the change process	
External Stakeholder Involvement	Involving external stakeholders brings diverse perspectives	Involving various external stakeholders may pose coordination challenges
	Enhances transparency and inclusivity in decision-making	

2. Prioritizing in Matrix

To evaluate the effectiveness of the recommendations and assist the structure immediate intervention agenda, I have prioritized the recommendations into a matrix that has 2 dimensions: Urgency/Importance and Accessibility for implementation.

Recommendation	Urgency/Importance	Accessibility
Internal Communication Enhancement	High	High
Performance Management Improvement	High	High
Leadership Development and Accountability	High	Moderate
Organizational Restructuring	Moderate	High
Long-Term Engagement Strategy	Moderate	Moderate
External Stakeholder Involvement	Low	Moderate